

# sec news digest

U.S. SECURITIES AND  
EXCHANGE COMMISSION

Issue 80-107

June 2, 1980

JUN 3 1980

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## RULES AND RELATED MATTERS

## LIBRARY

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### AMENDMENT TO DEFINITION AND TERMS "EMPLOYEE" AND "OFFICER" FOR FIDELITY BONDING PURPOSES

The Commission is proposing for public comment an amendment to Rule 17g-1 under the Investment Company Act of 1940. The proposed amendment would clarify the requirement that fidelity bonds be obtained to cover all officers and employees of an investment company's depositors, trustees, investment advisers and other managers (and of affiliated persons of such persons), when such officers and employees have access to the funds or securities of such investment company. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, on or before June 18 and should refer to File No. S7-838. All submissions will be available for public inspection at the Commission's Public Reference Room. (Rel. IC-11193)

FOR FURTHER INFORMATION CONTACT: Marsha Gilman at (202) 272-3036

### ADOPTION OF A REVISION IN CONDUCT REGULATION

The Commission has announced the adoption of a revision of its Conduct Regulation. The Regulation, which enumerates standards of conduct for members, employees and former members and employees, has been revised to reflect changes in both federal regulations and Commission policy, as well as, to make existing rules more specific. (Rel. 33-6212)

FOR FURTHER INFORMATION CONTACT: Myrna Siegel at (202) 272-2430

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## COMMISSION ANNOUNCEMENTS

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### ADDITION TO WEEKLY CALENDAR

Commissioner Loomis will testify on Tuesday, June 3, at 10:00 a.m. before the House Subcommittee on Consumer Protection and Finance of the Rayburn House Office Building, Room 2218. The subject of his testimony will be H.R. 6831, a bill amending the Securities Investor Protection Act.

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## NOTICE OF COMMISSION MEETINGS

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### OPEN MEETING - THURSDAY, JUNE 5, 1980 - 10:00 A.M.

The subject matter of the June 5 open meeting will be:

Consideration of proposed Rule 19c-3 under the Securities Exchange Act of 1934, which would amend rules of national securities exchanges which limit or condition the ability of members to effect transactions over-the-counter in exchange traded securities, to preclude the application of those exchange rules to certain securities which were not exchange traded on April 26, 1979, or which were exchange traded on April 26, 1979, but fail to remain continuously exchange traded thereafter. FOR FURTHER INFORMATION CONTACT Bruce Beatt at (202) 272-2888.

## CIVIL PROCEEDINGS

### PERRY, ADAMS & LEWIS SECURITIES, INC. ENJOINED

The Chicago Regional Office announced that on May 20 the Honorable Howard F. Sachs of the U.S. District Court for the Western District of Missouri issued a Judgment of Permanent Injunction against Perry, Adams & Lewis Securities, Inc., based on its consent, without admitting or denying the allegations contained in the Commission's complaint. The Judgment enjoins the defendant from further violations of the books and records and financial responsibility provisions of the securities laws. (SEC v. Perry Adams & Lewis Securities, Inc., W.D. Mo., Civil Action No. 80-0336-CV-W-6). (LR-9098)

## CRIMINAL PROCEEDINGS

### DANIEL KING BRAINARD, OTHERS SENTENCED

The Atlanta Regional Office announced that on May 8 the Federal Court at Greensboro, North Carolina, sentenced Sheldon S. Moss of Chicago, Illinois, to imprisonment for eight years, and Daniel King Brainard and Halton Q. Bittick, of Greensboro, each to imprisonment for five years. In addition, Bittick was fined \$13,000. The sentencing resulted from Moss' plea of guilty to eighteen counts of mail fraud in connection with the offer and sale of evidences of indebtedness of Moss, doing business as Television Marketing and Correlated Equities Corp. (TVM evidences of indebtedness), and jury verdicts of guilty against Brainard and Bittick on thirteen counts of mail fraud in connection with the offer and sale of the TVM evidences of indebtedness, and a guilty verdict against Bittick on one count of making a false statement in a report required to be filed with the Commission.

In a related civil injunctive action, Brainard consented to the entry of an order preliminarily enjoining him from violating and aiding and abetting violations of various provisions of the securities laws. Litigation in this matter is continuing. (U.S. v. Daniel King Brainard, M.D. N.C., Criminal Action No. 80-17-G). (LR-9097)

## HOLDING COMPANY ACT RELEASES

### LOUISIANA POWER & LIGHT COMPANY

An order has been issued approving a proposal by Louisiana Power & Light Company, subsidiary of Middle South Utilities, Inc., whereby Louisiana Power & Light will enter into an agreement with the Town of Jonesboro, Louisiana granting Louisiana Power & Light a sixty year franchise to operate the Town's electric system and giving Louisiana Power & Light an option to acquire the Town's electric system. (Rel. 35-21598 - May 29)

### MIDDLE SOUTH UTILITIES, INC.

A notice has been issued giving interested persons until June 24 to request a hearing on a proposal by Middle South Utilities, Inc., a registered holding company, to amend certain provisions of its Employee Stock Ownership Plan dealing with the pricing of common stock acquired by the trustee under the Plan so as to bring such provisions into compliance with newly promulgated Internal Revenue Service regulations. (Rel. 35-21600 - May 30)

### MIDDLE SOUTH ENERGY, INC.

A notice has been issued giving interested persons until June 26 to request a hearing on a proposal of Middle South Energy, Inc. (MSE) and Mississippi Power & Light Company (MP&L), subsidiaries of Middle South Utilities, Inc., regarding the sale by MSE of a 10% undivided interest in MSE's Grand Gulf Nuclear Electric Station, which is under construction, to South Mississippi Electric Power Association and certain related transactions between MSE and MP&L. (Rel. 35-21601 - May 30)

### NORTHEAST UTILITIES

An order has been issued authorizing Northeast Utilities, a registered holding company, to increase the number of its authorized shares of common stock. An order authorizing the solicitation of proxies in connection therewith was issued previously. (Rel. 35-21602 - May 30)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until June 18 to comment on the Philadelphia Stock Exchange's applications for unlisted trading privileges in 15 issues which are listed and registered on other national securities exchanges. (Rel. 34-16852)

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## SELF-REGULATORY ORGANIZATIONS

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### AMENDMENT TO AND APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved, on an accelerated basis, a proposed rule change filed by the Philadelphia Stock Exchange, Inc. (SR-Phlx-79-13) which sets forth the procedures for handling cabinet orders in options. (Rel. 34-16846)

### NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule changes pursuant to Rule 19b-4: The National Association of Securities Dealers, Inc. (SR-NASD-80-8) to clarify the procedures to be followed and the standards to be employed in the handling of NASDAQ qualification matters. (Rel. 34-16842); The Midwest Stock Exchange, Incorporated (SR-MSE-80-10) deleting from the MSE Rules the prohibition on a registered market maker receiving exempt credit for transactions consummated in markets other than the MSE. (Rel. 34-16845) Publication of the above proposals are expected to be made in the Federal Register during the week of May 26.

The Philadelphia Stock Exchange, Inc. (SR-Phlx-80-8) adopting the Uniform Code of Arbitration. (Rel. 34-16854); and The Pacific Stock Exchange Incorporated (SR-PSE-80-7) concerning the attendance of Market Makers. (Rel. 34-16855) Publication of the above proposals are expected to be made in the Federal Register during the week of June 2.

### NOTICE AND APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved, on an accelerated basis, proposed rule changes filed by The Chicago Board Options Exchange, Incorporated (SR-CBOE-80-10) increasing the number of its authorized put and call classes in order to accommodate the listing of the options classes listed by the Midwest Stock Exchange, Incorporated. (Rel. 34-16862); and (SR-CBOE-80-14); The American Stock Exchange, Inc. (SR-Amex-80-16); The Pacific Stock Exchange Incorporated (SR-PSE-80-9); and The Philadelphia Stock Exchange, Inc. (SR-Phlx-80-14), to establish procedures for allocating additional call option classes. (Rel. 34-16863)

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## MISCELLANEOUS

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### WILLKIE, FARR & GALLAGHER

A notice has been issued giving interested persons until June 23 to request a hearing on an application of Willkie, Farr & Gallagher, a law firm organized as a partnership under the laws of the State of New York, exempting from the registration requirements of the Act participations or interests issued in connection with the Willkie, Farr & Gallagher Pension Plan for Partners and Associates. (Rel. 33-6213)

### HARTER BANCORP

An order has been issued exempting Harter BanCorp (Applicant) from the reporting requirements under Sections 13 and 15(d) of the Securities Exchange Act of 1934. On July 9, 1979, Applicant was merged into Society Corporation and all of Applicant's outstanding shares of common stock were converted into common shares of Society. Society is a reporting company under the Act. (Rel. 34-16828)

NOTICES FOR EXEMPTION PURSUANT TO SECTION 12(h)

Notices have been issued giving interested persons until June 16 to request a hearing on applications by the following companies, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for orders exempting the companies from the reporting requirements of Sections 13 and 15(d) of the Act:

Wagner Electric Corporation (Rel. 34-16838); and Tishman Liquidating Corporation (Rel. 34-16839);

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## SECURITIES ACT REGISTRATIONS

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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; and File number and date filed.

- (S-16) WASHINGTON ENERGY COMPANY, 815 Mercer St., Seattle, Wash. 98111 (206) 622-6767 - 500,000 shares of common stock. Underwriters: Dean Witter Reynolds Inc. and Kirkpatrick, Pettis, Smith, Polian Inc. The company is engaged in the distribution and sale of natural gas. (File 2-67904 - May 28) (Br. 8)
- (S-16) THE COCA-COLA COMPANY, 310 North Avenue, N.W., Atlanta, Ga. 30313 (404) 898-2121 - \$100 million of notes, due 1985. Underwriter: Morgan Stanley & Co. Incorporated. The company is a manufacturer and distributor of soft drink concentrates and syrups. (File 2-67928 - May 29) (Br. 1)
- (S-7) COMPUTER PRODUCTS, INC., 1400 N.W. 70th St., Fort Lauderdale, Fla. 33309 (305) 974-5500 - 475,000 shares of common stock. Underwriter: The Robinson-Humphrey Company, Inc. The company designs, develops, manufactures and markets a line of standardized real time interface subsystems for use in computer directed process control and measurement systems. (File 2-67929 - May 29) (Br. 9)
- (S-16) RESORTS INTERNATIONAL, INC., 915 N.E. 125th St., N. Miami, Fla. 33161 (305) 891-2500 - 89,096 shares of Class A common stock. The company is engaged in the ownership, operation and development of casino gaming, resort and hotel facilities. (File 2-67930 - May 29) (Br. 3)
- (S-7) AMERICAN AIRLINES, INC., P.O. Box 61616, Dallas/Fort Worth Airport, Tex. 75261 (214) 355-1234 - \$134,011,600 of subordinated debentures, due 1998. Underwriter: Merrill Lynch White Weld Capital Markets Group. (File 2-67931 - May 29) (Br. 10)
- (S-8) PACIFIC RESOURCES, INC., 733 Bishop St., Honolulu, Hawaii 96813 (808) 547-3111 - 100,000 shares of common stock. (File 2-67932 - May 29) (Br. 3)
- (S-1) THE FIRST NATIONAL BANCORPORATION, INC., 633 Seventeenth St., Denver, Colo. 80202 - 131,250 shares of common stock. (File 2-67933 - May 29) (Br. 2)
- (S-1) DELTA WESTERN 1980 DRILLING FUND, 1000 City Center Bldg., Oklahoma City, Okla. 73102 - 250 units. (File 2-67934 - May 29) (Br. 4)
- (S-8) SCI MED LIFE SYSTEMS, INC., 13000 County Rd. 6, Minneapolis, Minn. 55440 (612) 559-9504 - 20,000 shares of common stock. (File 2-67935 - May 29) (Br. 8)
- (S-B) EUROPEAN INVESTMENT BANK, 2, Place de Metz, Luxembourg, Grand Duch of Luxembourg - \$100 million of notes, due June 1, 1988 and \$100 million of bonds, due June 1, 2000. Underwriters: Merrill Lynch White Weld Capital Markets Group, Salomon Brothers, Lehman Brothers Kuhn Loeb Incorporated, The First Boston Corporation and Lazard Freres & Co. (File 2-67936 - May 29) (Br. 3)
- (S-8) AMERICAN ELECTRIC POWER COMPANY, INC., 2 Broadway, New York, N.Y. 10004 (212) 440-9000 - \$3 million of participations and 160,000 shares of common stock. (File 2-67937 - May 29) (Br. 8)

(N-1) LIQUID GREEN TRUST, 207 Guaranty Bldg., Indianapolis, Ind. 46204 (317) 634-3300 -  
an indefinite number of units (shares). (File 2-67943 - May 27) (Br. 17)

REGISTRATIONS EFFECTIVE

May 14: Investors Quality Tax-Exempt Trust, Series 3, 2-66549.  
May 15: Kemper Tax-Exempt Income Trust, Series 11, 2-65502.  
May 16: Ivey Properties, Inc., 2-67168.  
May 19: Diamond Shamrock Corp., 2-67390; New Virginia Bancorporation, 2-66620;  
Storm King Mines, 2-67034.  
May 20: Hotel Investors Corp., 2-67275; North Star Regional Fund, Inc., 2-66885;  
Sci-Tex Corporation Limited, 2-67090; The Toledo Edison Co., 2-67558 & 2-67559.  
May 21: Amfac, Inc., 2-67725; Bankamerica Corp., 2-67819; Beverly Enterprises,  
2-67587; Cole National Corp., 2-67718; Corporate Income Fund, One Hundred Fourth  
Monthly Payment Series, 2-67653; Deere & Company, 2-67797; The Dreyfus Rainbow  
Annuity Variable Account A, 2-64714; General Motors Acceptance Corp., 2-67699;  
IEA Marine Container Fund II, 2-67065; The LTV Corp., 2-67703; Mesa Petroleum Co.,  
2-67629; Pacific Power & Light Co., 2-67468; Public Service Co. of North Carolina,  
Inc., 2-67657; The Tax Exempt Securities Trust, Series 38, 2-67473; Up-Right,  
Inc., 2-66869.



## NOTICE

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*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. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.*

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