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U.S. SECURITIES AND EXCHANGE COMMISSION DECISIONS IN ADMINISTRATIVE PROCEEDINGS

LAWRENCE H. RIPP BARRED AND FINED

The Commission has affirmed the decision of the National Association of Securities Dealers, Inc. to bar Lawrence H. Ripp, of Sunrise, Florida, from associating himself in any capacity with any member of the Association, and to fine Ripp \$1,500.

The case involved money that came into Mr. Ripp's hands as a result of the liquidation of securities owned by one of his customers. The Commission agreed with the NASD that the evidence showed that Ripp had improperly withheld that money from the customer to whom it belonged. The Commission also found that Ripp had deceived the customer about the true amount that the securities had produced. (Rel. 34-13198)

INVESTMENT COMPANY ACT RELEASES

JEFFERSON STANDARD LIFE INSURANCE COMPANY

An order has been issued on an application of Jefferson Standard Life Insurance Company (Jefferson Standard), a North Carolina stock life insurance company, Jefferson Standard Separate Account A (Account A), a separate account of Jefferson Standard registered under the Investment Company Act of 1940 as a unit investment trust, and Jefferson-Pilot Equity Sales, Inc. the principal underwriter for Account A, (hereinafter collectively referred to as Applicants), pursuant to Section 6(c) of the Act granting exemption from Sections 22(e), 27(c)(1) and 27(d) to the extent necessary to permit compliance by Applicants with certain provisions of the Education Code of the State of Texas as it would apply to payments made on variable annuity contracts subsequent to the date of the requested order. (Rel. IC-9632 - Feb. 7)

KEOGH-SMATHERS FUND

An order has been issued declaring that Keogh-Smathers Fund, Inc., has ceased to be an investment company. (Rel. IC-9634 - Feb. 7)

SCHUSTER SPECTRUM FUND

An order has been issued declaring that Schuster Spectrum Fund, Inc., has ceased to be an investment company. (Rel. IC-9635 - Feb. 7)

STEPHENS ARKANSAS TAX-EXEMPT BOND FUND, SERIES ONE (AND SUBSEQUENT SERIES)

An order has been issued on an application of Stephens Arkansas Tax-Exempt Bond Fund, Series One and Subsequent Series (Fund), a unit investment trust, and its sponsor, Stephens, Inc., exempting the Fund from the initial net worth requirements of Section 14(a), from the limitations on the distribution of capital gains contained in Rule 19b-1, and exempting the secondary market operations of the sponsor from the pricing requirements of Rule 22c-1. (Rel. IC-9636 - Feb. 7)

THE COLUMBUS FUND

An order has been issued on an application of The Columbus Fund, Inc. declaring that it has ceased to be an investment company. (Rel. IC-9637 - Feb. 7)

SURVEYOR FUND

A notice has been issued giving interested persons until March 7 to request a hearing on an application of Surveyor Fund, Inc. on behalf of its predecessor, Surveyor Fund, Inc., for an order declaring that its predecessor has ceased to be an investment company. (Rel. IC-9638 - Feb. 7)

AXE-HOUGHTON INCOME FUND

A notice has been issued giving interested persons until February 28 to request a hearing on an application of Axe-Houghton Income Fund, Inc., Axe-Houghton Fund B, Inc., and Axe-Houghton Stock Fund, Inc., registered open-end diversified management investment companies, and Axe Securities Corporation, the Funds' principal underwriter, for an order permitting shareholders of each of the Funds to reinvest income dividends, or income dividends and capital gain distributions, in shares of the other Funds without a sales charge. (Rel. IC-9639 - Feb. 7)

HOLDING COMPANY ACT RELEASES

ARKANSAS-MISSOURI POWER COMPANY

An order has been issued correcting its previous order of February 1 granting Ark-Mo and Associated, subsidiaries of Middle South Utilities, Inc., a registered holding company, an exception from the competitive bidding requirements of Rule 50 with respect to the sale of their first mortgage bonds. The Commission's order misstated the amounts of bonds each company proposes to sell. (Rel. 35-19872 - Feb. 4)

THE SOUTHERN COMPANY

An order has been issued authorizing Southern and its subsidiaries to allocate their consolidated Federal income tax liability for 1976 by a method other than specified by Rule 45(b)(6). (Rel. 35-19873 - Feb. 4)

THE COLUMBIA GAS SYSTEM SERVICE CORPORATION

An order has been issued authorizing Service Corporation, the service company of The Columbia Gas System, Inc., a registered holding company, to undertake a general program of licensing and sublicensing patents, devices and other "know-how" developed or acquired in connection with its research and development activities. (Rel. 35-19874 - Feb. 4)

CENTRAL POWER AND LIGHT COMPANY

A notice has been issued giving interested persons until March 1 to request a hearing on a proposal of Central Power and Light Company, subsidiary of Central and South West Corporation, that it be authorized to spend up to \$8,044,900 on the acquisition of interests in fuel exploration and development activities during 1977. (Rel. 35-19876 - Feb. 7)

OHIO EDISON COMPANY

A notice has been issued giving interested persons until March 1 to request a hearing on a proposal of Ohio Edison Company (Ohio Edison), a registered holding company, to issue and sell up to 5,000,000 shares of its \$9 par common stock, to purchase from Pennsylvania Power Company (Pennsylvania), subsidiary of Ohio Edison, up to 850,000 shares of its common stock and by Pennsylvania to increase its authorized common stock by 800,000. (Rel. 35-19877 - Feb. 7)

GENERAL PUBLIC UTILITIES CORPORATION

A notice has been issued giving interested persons until March 4 to request a hearing on a proposal of General Public Utilities Corporation, a registered holding company, to increase to \$10 million the maximum aggregate amount of its Service Company's notes which it may acquire. (Rel. 35-19878 - Feb. 7)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The New York Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-NYSE-77-3) to require each domestic company with common stock listed on the Exchange to establish an audit committee comprised solely of directors independent of management. Publication of the proposal is expected to be made in the Federal Register during the week of February 7. (Rel. 34-13245)

The Chicago Board Options Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-CBOE-77-1) revising CBOE's fee schedule for arbitration proceedings. Publication of the proposal is expected to be made in the Federal Register during the week of February 7. (Rel. 34-13246)

MISCELLANEOUS

REGULATION B EXEMPTION OF SOUTHWESTERN RESOURCES, INC. PERMANENTLY SUSPENDED

An order has been issued permanently suspending the Regulation B exemption from registration under the Securities Act of 1933 with regard to the public offering of fractional undivided working interests in oil and gas leases in the following Southwestern Resources, Inc. offering: Pruitt Keel #1. (Rel. 33-5803)

SECURITIES ACT REGISTRATIONS

(S-14) FIRST INTERNATIONAL BANCSHARES, INC.

First International Bldg., 1201 Elm St., Dallas, Tex. 75270 - 190,000 shares of common stock, proposed to be offered in connection with the proposed merger of Beaumont State Bank, into a wholly-owned (except for directors' qualifying shares) subsidiary of First International, at the rate of 0.9743 First International share for each of 195,000 outstanding Beaumont shares. First International is a registered bank holding company whose holdings include 24 Texas banks, a merchant bank in London, England, and a number of banking related subsidiaries. (File 2-58172 - Feb. 4)

(S-1) PRIME COMPUTER, INC.

145 Pennsylvania Ave., Framingham, Mass. 01701 - 641,415 shares of common stock, to be offered for sale through underwriters headed by Smith Barney, Harris Upham & Co. Inc., 1345 Avenue of the Americas, New York, N.Y. 10019. Of these shares, 350,000 shares are to be sold by the company, 108,415 shares are to be sold by certain selling stockholders and 125,000 shares are to be sold after the exercise of outstanding warrants to be purchased by the underwriters from a warrantholder. Prime Computer, Inc. designs and manufactures, sells and services small and medium-size general purpose digital computers and interactive computer systems. (File 2-58173 - Feb. 4)

(S-1) GENERAL TELEPHONE COMPANY OF KENTUCKY

2001 Harrodsburg Rd., Lexington, Ky. 40511 - \$40 million of first mortgage bonds, 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 \$14 million of first mortgage bonds, 10% Series, due 2000. The company provides telephone services. (File 2-58174 - Feb. 4)

(S-6) THE MUNICIPAL BOND FUND, SERIES 37

c/o Paine, Webber, Jackson & Curtis Inc., 140 Broadway, New York, N.Y. 10005 and Hornblower & Weeks - Hemphill, Noyes Inc., 8 Hanover St., New York, N.Y. 10005 - 5,000 units. The Trust will be created under a trust indenture among Paine, Webber, Jackson & Curtis Inc. and Hornblower & Weeks - Hemphill Noyes Inc., as sponsors, United States Trust Company of New York, as trustee, and Standard & Poor's Corporation, as evaluator. The Trust will consist of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territorial possessions of the United States and authorities, agencies and other political subdivisions thereof, the interest on which is, in the opinion of counsel to the issuers of such obligations, exempt from Federal income tax. (File 2-58175 - Feb. 4)

(S-7) VIRGINIA ELECTRIC AND POWER COMPANY

700 East Franklin St., Richmond, Va. 23261 - 1,000,000 shares of common stock, to be offered in connection with the company's Automatic Dividend Reinvestment Plan. The company is an electric and gas utility operating company. (File 2-58176 - Feb. 4)

(S-6) THE CORPORATE INCOME FUND, FOURTEENTH INTERMEDIATE TERM SERIES

\$20 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 125 High St., Boston, Mass. 02110. The Fund, a unit investment trust, was created by a trust agreement among Merrill Lynch, Bache Halsey Stuart Inc., and Reynolds Securities Inc., as sponsors, The Bank of New York and Shawmut Bank of Boston, N.A., as trustees, and Interactive Data Services, Inc., as evaluator. The Fund's primary objective is providing a high level of current income through investment in a fixed portfolio of intermediate-term debt obligations, issued primarily by corporations. (File 2-58177 - Feb. 4)

(S-7) KANSAS GAS AND ELECTRIC COMPANY

201 North Market St., Wichita, Kan. 67201 - \$25 million of first mortgage bonds, due 2007, to be offered for sale through competitive bidding. The company is engaged in the electric utility business. (File 2-58180 - Feb. 4)

(S-6) MINNESOTA TAX-EXEMPT INCOME TRUST, SERIES 2

100 Dain Tower, Minneapolis, Minn. 55402 - \$5 million of units of beneficial interest. The Fund, a unit investment trust, will be created under a trust indenture and agreement among Dain, Kalman & Quail Inc., as sponsor, Bradford Trust Company, as trustee, and Standard & Poor's Corporation, as evaluator, on the date of deposit of the municipal bonds in the portfolio of the Fund. The Fund will be formed for the purpose of gaining interest income free from Federal income taxes and Minnesota individual income taxes and will consist of a portfolio of municipal bonds with various long-term maturities. (File 2-58182 - Feb. 4)

REGISTRATIONS EFFECTIVE

Feb. 4: Dravo Corp., 2-58013; The Hilliard Fund 77, Ltd., 2-57819; RLC Corp., 2-58008.

Feb. 7: Comshare Inc., 2-57379; Crompton & Knowles Corp., 2-57629; EG&G Inc., 2-58065; IU International Corp., 2-58084; NBC Corp., 2-57889.

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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